

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 04 DJIBOUTI 001265

SIPDIS

JOINT STAFF FOR CJCS GENERAL PETER PACE  
STATE FOR AF AND AF/E  
STATE ALSO PASS USAID  
CENTCOM FORWARD FOR GENERAL ABIZAID  
EMBASSY DOHA PLEASE PASS CJCS STAFF  
LONDON/PARIS FOR AFRICA WATCHERS

E.O. 12958: DECL: 12/27/2015  
TAGS: [PREL](#) [MARR](#) [OVIP](#) [ECON](#) [EAID](#) [DJ](#)  
SUBJECT: SCENESETTER FOR VISIT OF CJCS GENERAL PETER PACE  
TO DJIBOUTI

Classified By: AMBASSADOR MARGUERITA D. RAGSDALE.  
REASONS 1.4 (B) AND (D).

11. (C) Embassy Djibouti heartily welcomes your January 2-3, 2006 visit. A meeting with President Ismail Omar Guelleh is anticipated.

12. (C) Summary: Combating poverty, improving the nation's health and education infrastructure and promoting economic development remain top priorities for President Ismail Omar Guelleh in his second term of office as President, which began in March 2005. Embassy Djibouti and the Combined Joint Task Force - Horn of Africa (CJTF-HOA) based at Camp Lemonier, the only U.S. base in Africa, are working in tandem to assist in these areas. The Doraleh Port Complex, a joint venture with Emirates National Oil Company (ENOC), is seen by Djibouti as a crucial part of its economic development. Its first phase is nearly complete and includes an oil terminal which will support oil storage objectives of the U.S. Navy and Camp Lemonier, under a contract with Defense Energy Support Center (DESC). Doraleh oil terminal houses five DESC contracted tanks -- one for Camp Lemonier and four for U.S. navy refueling needs. However, U.S. naval vessels are not yet refueling at Doraleh because this port has not yet met U.S. naval security requirements.

13. (C) Djibouti's attitude toward the United States remains favorably disposed. The U.S. military is in the process of negotiating an extension of its lease and access at Camp Lemonier and President Guelleh has made known his desire to see the U.S. play a positive role in achieving security and stability in the Horn of Africa region. He is urging international community support of the Somali reconciliation process but is also hosting a Somaliland Interests Office in Djibouti. Foreign Affairs agencies in Washington are reexamining core U.S. strategy for engagement in Somalia and Somaliland, but remain committed at this point to a unified Somalia. U.S.- Djibouti military and anti-terrorism cooperation remain strong and Djibouti continues to support our ongoing efforts at terrorist interdiction in the region. Djibouti remains less than satisfied, however, with the pace of delivery of equipment promised or pledged under the Foreign Military Financing (FMF) program and has voiced its concerns with the Ambassador, to which we have been responsive.

14. (C) On issues outside the region, President Guelleh supported recent elections in Iraq and his government issued a public statement to that effect. He has in recent months expressed disappointment with the lack of progress in ending the conflict between Israelis and Palestinians. End Summary.

-----  
Focus on Domestic Development Priorities  
-----

15. (C) The top domestic priorities for the Government of Djibouti are combating poverty, improving the nation's health and education infrastructures and services, and promoting economic development. Through the U.S. Agency for International Development (USAID), the U.S. Embassy is assisting the Government of Djibouti to implement a nationwide education reform program with Economic Support Funds (ESF) of USD 14 million over three years. The Embassy is also assisting the Government of Djibouti to increase, at a funding level of USD 12 million in ESF over three years, equitable access to health care, particularly of the poor, and the provision of quality and efficient health care to reduce infant, child and maternal mortality. We are joined in these efforts by the numerous small school and clinic rehabilitation and refurbishment projects undertaken successfully by the Combined Joint Task Force - Horn of Africa (CJTF-HOA) at Camp Lemonier.

16. (C) We also assisted Djibouti, through USAID's Regional Economic Development Services Office (REDSO), to increase opportunities for international sale of its livestock and spent USD 5 million in ESF and other funds to construct a

holding pen for livestock destined for the Arabian Peninsula and to provide veterinary inspection and certification for the livestock. The Government of Djibouti was not fully satisfied with the pace of construction of the facility and expressed doubt about its ability to meet import standards of Saudi Arabia and other Gulf countries. Djibouti engaged a Saudi investor to do further work on the facility and USAID officially turned over the project to the Government of Djibouti on December 19, 2005. The investor has indicated to Djibouti that he will have the facility operational in five to eight months. His target export volume is four million head of livestock annually, including cattle, goats, sheep and camel.

17. (C) President Guelleh is the driving force behind economic ventures that the Djiboutian government hopes will boost the nation's economy. He is most proud of the port of Doraleh, and the economic potential he sees in this joint-venture construction project with Emirates National Oil Company (ENOC). Doraleh is being touted as an integral part of Djibouti's economic future. Once all phases are complete, it will have a Free Zone, an oil storage terminal facility, a container terminal and a bulk terminal. The oil terminal is already accepting fuel for storage. Oil companies operating in Djibouti have received notice of the requirement that they relocate their operations to Doraleh by the end of 2005. Four of the terminal's six oil storage tanks have been reserved for exclusive use of the U.S. navy, plus one for use by Camp Lemonnier, under open-tender Defense Energy Support Center (DESC) contracts with ENOC. However, U.S. naval vessels have not entered Doraleh port for refueling because the port has not yet met all U.S. naval requirements for port security.

18. (C) Djibouti remains committed to becoming eligible for additional economic development assistance under the Millennium Challenge Act of 2003. The Act authorizes the provision of economic assistance to countries that support internal policies and programs that advance the prospects of lasting economic growth and poverty reduction. Eligibility will depend on a nation's ability to demonstrate its commitment to just and democratic governance, economic freedom and investment in its people. Djibouti still has much work to do in these areas and we are working with the Millennium Challenge Corporation (MCC) and the Government of Djibouti to provide the data needed for an earnest assessment. Djibouti has expressed concern that much of the data used by the MCC is from external organizations, not all of whom have had direct contact or engagement with Djibouti.

-----  
THE HORN OF AFRICA, DJIBOUTI  
AND THE U.S.  
-----

19. (C) President Guelleh met with U.S. Secretary of State Rice in May, 2005 in Washington. Guelleh and Rice discussed the continued cooperation and close U.S.-Djiboutian partnership in the Global War on Terror, the situation in Sudan, political progress in Djibouti, and the border dispute between Ethiopia and Eritrea. At the end of the meeting, Guelleh expressed frustration at the lack of Development Assistance (DA) funding for Djibouti and expressed hope that the U.S. would place Djibouti on the list for DA from USAID. Secretary Rice promised that she would look into the issue

SIPDIS  
further. Some limited amounts of DA were allocated to Djibouti in the interim, but there is no current plan to augment those levels on a continuing basis.

110. (C) President Guelleh is also urging the international community to provide assistance and support to the Somali reconciliation process. Djibouti has followed the African Union and other nations, including the U.S., in embracing a unified Somalia as policy. Nevertheless, Guelleh agreed to host a Somaliland Interests Office in Djibouti and Somaliland continues to press the U.S. and other nations for political recognition. Most recently, Somaliland Foreign Minister Edna Ismail invited CJTF-HOA to establish civil affairs operations in Somaliland. This has not occurred and has not been endorsed to date at U.S. policy levels. U.S. foreign affairs agencies have begun a process of reexamining core U.S. strategy for counter-terrorism, political and economic engagement in Somalia and Somaliland, and our long-term policy with respect to both.

111. (C) Djibouti is keen to avoid a renewed Eritrea-Ethiopia conflict and sees such a conflict as having a detrimental impact on the progress of Djibouti's economy and development. The vital port supply line between Ethiopia and Djibouti could be severed, or negatively impacted, as a result of conflict and Djibouti would also face the unwanted burden of refugees from both states. Moreover, the implications of such conflict for the overall stability of Djibouti and the rest of the Horn cannot be overlooked.

-----  
Strong U.S.-Djibouti Military and  
Anti-terrorism Cooperation  
-----

112. (C) The attitude of the Government of Djibouti and the general population continues to be favorably disposed towards the United States. U.S.- Djibouti military and anti-terrorism cooperation remain strong and Djibouti is supporting our ongoing efforts at terrorist interdiction. Training programs under the East Africa Counter-terrorism Initiative (EACTI) have taken place with law enforcement, military and intelligence personnel. Djibouti is less than satisfied, however, with the pace of delivery of equipment promised or pledged under FMF. General Fathi Ahmed Hussein, Commander of the Djiboutian Armed Forces, has raised this concern several times with Ambassador, with the U.S. Liaison Office (USLO) Chief, and with the Commander of CENTCOM. The issue was raised again with Ambassador in September 2005. General Fathi sees the continued slow pace of delivery and the delay in planned construction of the Obock naval base as directly impacting his nation's ability to be an effective partner with the U.S. in the global war on terrorism.

113. (C) Since September, 2004, the U.S., under Defense Department auspices, has been in negotiations with Djibouti on renewal of the U.S. military's lease agreement for Camp Lemonier. The lease, which officially expired in August, 2004, is temporarily extended in the interim. Lead U.S. negotiator Theresa Whelan, Deputy Assistant Secretary of Defense for Africa, has provided Ambassador Robleh Olhaye, Djibouti's lead negotiator, with a draft agreement. Accord on certain details remain to be worked out, but it is expected that an agreement will be signed in Washington the week following your visit here. Current base lease negotiations are expected to lead to an increase in the military's annual payment for use of Djibouti's land and facilities to continue its presence at Camp Lemonier. For his part, President Guelleh reiterated in a letter to President Bush in June, 2005, Djibouti's full support for the global war on terrorism and for the global efforts of the U.S. to spread peace, freedom and democracy in the world.

-----  
CONCERNS ABOUT THE  
MIDDLE EAST  
-----

114. (C) President Guelleh has not been very vocal publicly in either supporting or condemning the U.S.-led campaign in Afghanistan or in Iraq, perhaps out of deference to his country's hosting of the U.S. military. However, he did embrace December, 2005 parliamentary elections in Iraq. His Foreign Ministry issued a statement congratulating Iraq on the elections and expressing the hope the elections will lead to formation and putting into place a new Iraqi government.

115. (C) By contrast, Guelleh has been consistently vocal about his deep disappointment with a lack of progress in ending the conflict between Israelis and Palestinians. He has specifically criticized Israel's separation wall, which he stated "makes an already explosive situation worse and creates irreversible facts on the ground." Following Israel's formal withdrawal from the Gaza Strip, Guelleh made note of the departure of the Israelis in a public speech at the end of Ramadan on November 3, 2005 and attributed the departure to "the heroic struggle of the Palestinian people."

RAGSDALE